

EXHIBIT B

Vlado Buckovski

February 7, 2014

Washington, DC

Page 1

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
3
4 U.S. SECURITIES AND EXCHANGE :
5 COMMISSION, :
6 Plaintiff, :
7 vs. : No.11 Civ. 9645 (RJS)
8 :
9 ELEK STRAUB, :
10 ANDRÁS BALOGH, and :
11 TAMÁS MORVAI, :
12 :
13 Defendants. :
14 _____ :
15

16 Videotaped Deposition of VLADO BUCKOVSKI
17 Washington, D.C.
18 Friday, February 7, 2014
19 1:25 p.m.
20 Job No. 48302
21 Pages 1 - 151
22 Reported by: Leslie Anne Todd

Vlado Buckovski

February 7, 2014

Washington, DC

<p style="text-align: right;">Page 18</p> <p>1 a different political party was running the 2 government. That was VMRO-DPMNE. 3 And they guaranteed positions that nobody 4 could change in the first five years. That was a 5 bilateral contract. There were international 6 implications. 7 Magyar Telekom accepted under those 8 conditions to come into Macedonia. With the change 9 of government, which happened in October 2002, there 10 were problems between the government and Magyar 11 Telekom. The main problem was the dividend. The 12 most profitable company in Macedonia at the time was 13 Macedonian Telekom, in ownership of 51 percent of 14 Magyar Telekom. A few percents belonged to a third 15 party. He doesn't know which one. And 47 percent 16 belonged to the Macedonian government. 17 The previous two prime ministers, Branko 18 Crvenkovski -- he was the prime minister from October 19 2002 until April 2004 -- and his successor Hari 20 Kostov -- he was prime minister for -- minister for 21 six months -- they left the problem unsolved in the 22 company that was belonging to both of them. This</p>	<p style="text-align: right;">Page 20</p> <p>1 here right now to negotiate it. He just received the 2 final copy. 3 The main problem is how to build a trust 4 between them. Because there were serious objections 5 from their side toward Magyar Telekom. And they sent 6 a series of inspectors or inspections to check the 7 work of Magyar Telekom operations, because they were 8 in an open war with them. 9 And two years passed, and there was no 10 dividend for the Macedonian government. And the main 11 reason he wanted to negotiate with Magyar Telekom was 12 the dividend and the way in which Magyar Telekom was 13 prepared to do regionalization of their employees. 14 DUI, the coalition partner, they were very interested 15 to get into the Kosovo market and to push out Monaco 16 Telekom. He's guessing that they were present there 17 at the time. 18 Magyar Telekom wanted to solve the 19 problem about the -- how high were the concessions 20 they were paying to the government. And Magyar 21 Telekom was very interested in the new law about the 22 electronic telecommunications.</p>
<p style="text-align: right;">Page 19</p> <p>1 protocol, which is more a memorandum for 2 understanding, it was the first step to solve the 3 relationship. For this contract, they were talking, 4 discussing from February 2005. Those people they 5 were negotiating the contract probably are the ones 6 that put their signatures over there. 7 The negotiators were Dejan Mickovik, who 8 was their representative in the board of directors; 9 his advisor for legal issues, Farmakoski; economical 10 advisor, Pejkovski; the director of -- for the agency 11 for telecommunication, Kosta Trpkovski; and the 12 secretary for the ministry of transport. He forgot 13 his name. 14 That team was negotiating with Magyar 15 Telekom for the -- about the memorandum for 16 understanding. When they agreed about the 17 principles, their negotiating team -- okay, his 18 negotiating team brought this copy to him so he'll 19 put the final signature on it, with the front 20 signatures already there that it was already agreed 21 upon. He doesn't know who signed it from the other 22 side because they didn't sit on the table like we are</p>	<p style="text-align: right;">Page 21</p> <p>1 He knew that everything they put on the 2 paper, they won't be able to realize. It was more as 3 a wish list. For one, they never entered the Kosovo 4 market. Magyar Telekom never helped into the 5 liberalization of our market, Macedonian market. 6 Because at that moment, the European Union was 7 negotiating with them. So they can gain a status for 8 membership in the European Union. 9 (Through the witness): Status candidate 10 for the European Union. And one of the preconditions 11 was to open the communication market. 12 Q This is the Macedonian government 13 negotiating with the EU; is that right? 14 A Yeah. Yeah. 15 One of the precondition to finalize 16 negotiations process was to open telecommunication 17 market. And the -- on the second official government 18 session, my government -- my government sent to 19 parliament the new law for electronic communication. 20 It means in December 2004. Law was adopted probably 21 in March 2005. It means when the representative of 22 Magyar Telekom signed a document, memorandum for</p>

6 (Pages 18 to 21)

<p style="text-align: right;">Page 42</p> <p>1 the first --</p> <p>2 Q Okay. So his are on the bottom right?</p> <p>3 A Yeah.</p> <p>4 Q And there are two sets of initials below</p> <p>5 that, it looks like.</p> <p>6 You don't recognize either of those?</p> <p>7 A No. No, sir.</p> <p>8 Q What about on the left page -- side of</p> <p>9 the page?</p> <p>10 A Some initials, but I don't recognize. I</p> <p>11 know only the M. It's Dejan Mickovik.</p> <p>12 Q All right. And where did you sign this</p> <p>13 document?</p> <p>14 A When?</p> <p>15 Q Where.</p> <p>16 A Where. I think in -- I remember. In --</p> <p>17 in our -- we have one special part of ministry of</p> <p>18 defense.</p> <p>19 (Through the interpreter): It is the</p> <p>20 hall in the home of the army. It's a building in --</p> <p>21 he was in some sort of a show when he heard that two</p> <p>22 negotiating parties came to an agreement.</p>	<p style="text-align: right;">Page 44</p> <p>1 A (Through the interpreter): That's right.</p> <p>2 Okay. This protocol was on paper who was supposed to</p> <p>3 regulate their relationship. But you can notice that</p> <p>4 it never became an official government document,</p> <p>5 because there is no an archive number. And it's not</p> <p>6 filed in the archives of the government.</p> <p>7 Q Was that your intention?</p> <p>8 A (Through the interpreter): That wasn't</p> <p>9 his intention because this contract is not obliging</p> <p>10 for anyone -- binding. I'm sorry. Binding.</p> <p>11 Q I'm sorry. Maybe you misunderstood my</p> <p>12 question.</p> <p>13 A Yeah.</p> <p>14 Q Was it your intention that the protocol</p> <p>15 not be placed in the government archives?</p> <p>16 A (Through the interpreter): That wasn't</p> <p>17 his intention.</p> <p>18 Q What was your intention -- what was your</p> <p>19 intention?</p> <p>20 A (Through the interpreter): They were</p> <p>21 talking about that contract in public -- the</p> <p>22 protocol. I'm sorry.</p>
<p style="text-align: right;">Page 43</p> <p>1 Q And so did someone bring you the document</p> <p>2 for you to sign?</p> <p>3 A (Through the interpreter): He can't</p> <p>4 remember who came from their negotiating team. They</p> <p>5 said that they have a contract, and it should be</p> <p>6 follow up on the next page.</p> <p>7 Q Were you aware that there were no copies</p> <p>8 made of the signed Protocol of Cooperation?</p> <p>9 A I don't know, really.</p> <p>10 Q Were you aware that there was only one</p> <p>11 original copy of the Protocol of Cooperation?</p> <p>12 A Maybe, yes.</p> <p>13 Q Do you know where that was kept?</p> <p>14 A I don't know.</p> <p>15 Q Were you -- did you know that it was</p> <p>16 taken to Athens and put into the office safe of</p> <p>17 Mr. Contominas?</p> <p>18 A (Through the interpreter): He hears</p> <p>19 about that for the first time now.</p> <p>20 Q Were you aware that the Protocol of</p> <p>21 Cooperation was not placed in any official files of</p> <p>22 the Macedonian government of any official archives?</p>	<p style="text-align: right;">Page 45</p> <p>1 (Through the witness): They would solve</p> <p>2 the problem with dividend. Because the main focus of</p> <p>3 our public opinion was dividend. And we say yeah, we</p> <p>4 find the solution for dividend, and we'll open the</p> <p>5 possibility to solve the other issue for employees,</p> <p>6 for potential third operator, et cetera, et cetera.</p> <p>7 Q So was it your instruction as the prime</p> <p>8 minister that because the Protocol of Cooperation was</p> <p>9 not binding on the government that it should not be</p> <p>10 placed in the archives?</p> <p>11 A (Through the interpreter): That wasn't</p> <p>12 his decision. Up until that point, there was no</p> <p>13 similar contract to this one.</p> <p>14 Q Whose decision was that?</p> <p>15 A (Through the interpreter): Is it going</p> <p>16 to be archived or not?</p> <p>17 Q Yes.</p> <p>18 A (Through the interpreter): Experts that</p> <p>19 took part in the negotiations. So we don't have</p> <p>20 obligations as a government if eventually the</p> <p>21 contract doesn't get fulfilled. Because it was clear</p> <p>22 that not everything can be realized or --</p>

Vlado Buckovski

February 7, 2014

Washington, DC

<p style="text-align: right;">Page 46</p> <p>1 Q So was it your understanding that the</p> <p>2 Protocol of Cooperation was not binding on the</p> <p>3 Macedonian government?</p> <p>4 A (Through the interpreter): Can you</p> <p>5 please repeat that?</p> <p>6 Q Was -- do you understand binding --</p> <p>7 A Yeah.</p> <p>8 Q -- a binding agreement?</p> <p>9 A Yeah. Yeah. Yeah. Yeah.</p> <p>10 Q Was this a binding agreement for the</p> <p>11 Macedonian government? Was the Macedonian government</p> <p>12 bound by the Protocol of Cooperation?</p> <p>13 A (Through the interpreter): This</p> <p>14 contract did -- protocol did not bind them with</p> <p>15 anything. But in the spirit of building a mutual</p> <p>16 trust, we tried and succeeded right away to solve the</p> <p>17 paragraph 2, and to start with the payments -- the</p> <p>18 dividend payments. In the rush of all the signing of</p> <p>19 this memorandum of understanding, because of 30th of</p> <p>20 May of 2005, finally Macedonia got its dividend, and</p> <p>21 they sold the telecom in 2001.</p> <p>22 Q Okay. So is it your understanding then</p>	<p style="text-align: right;">Page 48</p> <p>1 he didn't wanted to have any contact with him. He</p> <p>2 saw Elek Straub for the first time in February of</p> <p>3 2005, and after that at his official visit to</p> <p>4 Budapest, he was part of their business delegation.</p> <p>5 And then he asked him in Budapest, he asked him why</p> <p>6 he doesn't have a contact with his people in Skopje,</p> <p>7 and he told him the reason.</p> <p>8 Q Did you ever negotiate aspects of the</p> <p>9 Protocol of Cooperation with Elek Straub?</p> <p>10 A (Through the interpreter): Never.</p> <p>11 Q Did you ever meet with Elek Straub to</p> <p>12 discuss any aspect of the Protocol of Cooperation?</p> <p>13 A (Through the interpreter): No. No.</p> <p>14 Q What about any of the terms that are in</p> <p>15 the protocol, such as the dividend or the frequency</p> <p>16 fee?</p> <p>17 A (Through the interpreter): That was</p> <p>18 negotiated with the two teams, and through their</p> <p>19 teams they were setting up objectives. The team of</p> <p>20 the Magyar Telekom was doing consultations. When</p> <p>21 they would reach an agreement, they would move on.</p> <p>22 Q Okay. But I guess my question --</p>
<p style="text-align: right;">Page 47</p> <p>1 or is this right that the Protocol of Cooperation was</p> <p>2 not a binding agreement from the Macedonian</p> <p>3 government, right?</p> <p>4 A Definitely we have a better position in</p> <p>5 relation between government and Magyar Telekom, but</p> <p>6 without --</p> <p>7 (Through the interpreter): -- without the</p> <p>8 tools to force them to do one thing or the government</p> <p>9 doing another thing.</p> <p>10 Q Okay. But were you -- but you expected</p> <p>11 Magyar Telekom to rely on this protocol and issue the</p> <p>12 dividend, right?</p> <p>13 A (Through the interpreter): Magyar</p> <p>14 Telekom did that right away, on the 3rd day of May,</p> <p>15 and the communication changed or started totally a</p> <p>16 different communication. The only director that he</p> <p>17 didn't accept in his office was András Szendrei. He</p> <p>18 had an aversion, disliked him, and he knew that. He</p> <p>19 was suspecting that he was helping the opposition in</p> <p>20 2005. He saw him dining with a leader of the</p> <p>21 opposition, and that's when he swore that he's not</p> <p>22 going to enter his office. And Elek Straub knew why</p>	<p style="text-align: right;">Page 49</p> <p>1 A (Through the interpreter): That's when</p> <p>2 they were looking for the official numbers for the</p> <p>3 dividend. They were a contract. They knew what the</p> <p>4 gain is. And they were insisting to get their part</p> <p>5 of the gain. There was no problem there. The</p> <p>6 problem was with the problem of payment of the</p> <p>7 concessions. And the problem that the government</p> <p>8 made, why weren't we informed for the payments for</p> <p>9 consulting -- consulting services below one million</p> <p>10 dollars.</p> <p>11 Q Okay. Professor Buckovski, when you were</p> <p>12 prime minister, did you ever have any face-to-face</p> <p>13 meetings with Elek Straub to discuss the dividend?</p> <p>14 A (Through the interpreter): No, there was</p> <p>15 no such meetings. There was no room for negotiation</p> <p>16 about the dividend. The issue was, Are they going to</p> <p>17 pay or not? That's where they used the force of the</p> <p>18 state. Because they knew the numbers. But those</p> <p>19 numbers were hidden from them. He was talking about</p> <p>20 it earlier. That was the only issue that the</p> <p>21 inspection found when they got into Stonebridge</p> <p>22 communication.</p>

13 (Pages 46 to 49)